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[No. 25527-GE(GL)-S-49/2015/R&DM.]

REVENUE & DISASTER MANAGEMENT DEPARTMENT
RESOLUTION

The 2nd September, 2015

It has come to the notice of Government that various Companies/ Industrial Entrepreneurs, in whose favour Government Land has been leased out for setting up industries, are requesting for assignment/transfer of such leased out land in favour of another Company due to some reason or the other. It has also come to notice that some Companies, who have been leased out with Government Land for Industrial purpose and have mortgaged such land with a Bank/ Financial Institution, default in making repayment of the dues of the Bank/Financial Institution and in that event, the concerned Bank/ Financial Institution auction-sells the mortgaged Government Land to another entity or a competent Court of Law directs for such auction sale. In that case, the auction-purchaser Company is also requesting the Government to transfer the lease hold rights of the Government Land in its favour.

2. In view of the above, formulation of a uniform policy to be adopted while granting permission for transfer of lease hold rights of Government Land from one Company to another Company was under active consideration of Government for some time past.

3. The State government, after careful consideration, have been pleased to decide that permission for transfer of leasehold rights of Government Land Leased out by Revenue & Disaster Management Department for Industrial purpose from one Company to another for the balance period of original lease for same or similar activities may be granted subject to the following :—

(a) by charging a transfer fee which may be,—

- (i) 10% of the bench mark value of the land as on the date of order for transfer, if the transfer is within 10 years of utilization of the land by the transferor Company.
- (ii) 5% of the bench mark value of the land as on the date of order for transfer, if the transfer is after 10 years of utilization of the land by the transferor Company.

(b) if in the original lease, premium was charged as per the IPR rate, then at the time of transfer of lease for the balance period, premium as per the differential IPR shall be charged as transfer fee.

(c) In addition to the above, the following conditions shall be applicable:—

- (i) the transferee Company shall pay annual ground rent @ 1% of the present bench mark value of the land and cess @ 75% of the annual ground rent so calculated,
- (ii) the transferee Company shall use the land for the same purpose for which it has been leased out to the transferor Company,
- (iii) the transferee Company shall abide by all terms, conditions, restrictions and limitations stipulated in the lease deed executed between Government and the transferor Company,
- (iv) the lease shall be allowed in favour of the transferee Company for the remaining period of the lease earlier sanctioned in favour of the transferor Company,
- (v) Accordingly, the transferee Company shall execute a fresh lease deed with Government after which the Government Land can be recorded in its name on lease basis by effecting necessary changes in RoR.

4. Government in Revenue & Disaster Management Department shall be the Competent Authority to grant such transfer of lease hold rights of one Company to another Company.

5. The cases, where transfer of lease hold rights from one Company to another Company has already been effected by recording of the land in favour of the transferee Company after grant of permission of a Competent Revenue Authority, shall not be re-opened.

ORDER

Ordered that the Resolution be published in an Extraordinary issue of the *Odisha Gazette* and copies thereof forwarded to all Departments of Government/ all Heads of Department of Government/ Board of Revenue, Odisha, Cuttack/ all RDCs/ all Collectors for information.

By Order of the Governor

Dr. MONA SHARMA

Principal Secretary to Government